

McCain immediately called his administrative assistant back and recounted to him the conversation with Babbitt, and in particular how Babbitt apologized at length about the misleading nature of his letter to McCain.

Babbitt testified before the Grand Jury that the facts recounted above were consistent with his recollection of the telephone call. When Babbitt testified before the Senate committee, however, he claimed that he told McCain, “ I stand by that letter,” and claimed that he had apologized to McCain for the letter only “[t]o the extent that it could be construed as misleading.”<sup>636</sup> In Babbitt’s subsequent testimony in this investigation, he said he did not tell McCain in the telephone conversation that he “stood by” his letter to McCain, and that in fact he apologized to McCain for it.<sup>637</sup>

#### **4. Secretary Babbitt’s Testimony Before the Senate Governmental Affairs Committee**

In the wake of media criticism and questioning of Secretary Babbitt and the initiation by the Department of Justice of an initial inquiry under the Independent Counsel Act, Babbitt was advised that Sen. Thompson’s Committee would further investigate the Hudson decision. On or about Oct. 15, 1997, Thompson’s staff requested that Babbitt reconsider his position refusing a private interview. Babbitt again refused and offered to testify publicly, and the Committee responded with a letter dated Oct. 22 indicating that it had scheduled hearings on the Hudson

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<sup>636</sup>*Investigation of Illegal and Improper Activities in Connection with the 1996 Federal Election Campaign – Part X: Hearings Before the Senate Comm. on Governmental Affairs*, 105<sup>th</sup> Cong., 1<sup>st</sup> Sess. 244 (1997) (testimony of Bruce Babbitt) (hereinafter “Babbitt Senate Test.”).

<sup>637</sup>In Babbitt’s words, “I think I was a bit more direct with Senator McCain than you would pick up from that response” in the Senate testimony. Babbitt G.J. Test., July 7, 1999, at 253.